

VZCZCXRO7698
PP RUEHCN RUEHGH RUEHRN RUEHVC
DE RUEHBJ #4084/01 3030807
ZNR UUUUU ZZH
P 290807Z OCT 08
FM AMEMBASSY BEIJING
TO RUEHC/SECSTATE WASHDC PRIORITY 0662
INFO RUEHOO/CHINA POSTS COLLECTIVE PRIORITY
RUEHSS/OECD POSTS COLLECTIVE
RHEHNSC/NSC WASHDC
RUCPDOG/USDOC WASHINGTON DC

UNCLAS SECTION 01 OF 02 BEIJING 004084

TREASURY FOR TSMITH
TREASURY FOR OASIA - DOHNER/HAARSAGER/CUSHMAN
TREASURY FOR IMFP - SOBEL/MOGHTADER
NSC FOR LOI
STATE FOR EAP/CM AND EEB/OMA

SENSITIVE

SIPDIS

E.O. 12958: N/A

TAGS: [EFIN](#) [ECON](#) [KPAO](#) [PREL](#) [PGOV](#) [CH](#)

SUBJECT: China/G-20 Summit: Hu Jintao will Attend, MFA
Provides Specific Requests

Ref: 1) STATE 113253 2) STATE 113256 3) BEIJING 04062

(U) THIS MESSAGE IS SENSITIVE BUT UNCLASSIFIED. PLEASE
HANDLE ACCORDINGLY. NOT FOR INTERNET DISTRIBUTION

¶1. (SBU) Summary: On October 27, Vice Foreign Minister He Yafei asked CDA Daniel Piccuta to join him at the Ministry to inform him that President Hu Jintao would attend the Financial Summit. The Vice Minister asked for specific logistical arrangements, including a larger Chinese delegation, seating next to the President at dinner, high precedence in the summit, and bilateral consultations prior to drafting of the statement. He also requested U.S. attention to security issues and a bilateral leaders' meeting, offering flexible timing in order to make it possible. He Yafei noted that a Hong Kong delegate might attend, but he could not yet confirm this position. Substantively, China is looking towards focusing on how the financial system affects developing countries. End summary.

¶2. (SBU) Vice Foreign Minister He Yafei provided a letter from President Hu Jintao to President Bush formally accepting the invitation to attend the Summit on Financial Markets and the World Economy in Washington, DC (see refs 1 and 2). He said Hu will lead a "huge" delegation. VFM He said Hu had made a personal decision to attend both the summit and the dinner. Reading from points, He characterized Hu's attendance as a clear demonstration of China's commitment to a global solution to the crisis, its intention to play a "positive and constructive" role, and the value it gave the bilateral relationship.

Summit Details and Protocol

¶3. (SBU) He hoped that the U.S. side would confirm meeting specifics as soon as possible. In particular, he asked about timing, location, the layout of the meeting room, how long each leader would speak, whether or not there would be roundtable discussions, participating countries, and the number of participants allowed in the hall (see ref 3). He had the following requests:

- China be allowed to bring a somewhat larger delegation into the hall (note: MFA staffers have told us that Hu intends to bring two vice premiers, the foreign and finance ministers, the central bank governor, and his Sherpa);
- Hu Jintao be allowed to sit next to President Bush at the dinner (note: the Chinese have drawn parallels to the protocol precedence accorded President Bush at the

Olympics);

-- when deciding speaking order, that if Hu Jintao does not speak first he be among the first; and
-- that the United States and China engage in bilateral consultations before Washington drafts the summit statement.

¶4. (SBU) The Vice Foreign Minister promised full transparency regarding China's consultations with emerging and developing economies. He said he expected the process to include both bilateral and multilateral elements. (Comment: In earlier meetings (see ref 3), He had indicated that China could hold multilateral meetings with developing countries, and then possibly voice their collective concerns in bilateral meetings with the United States. End comment.)

Security

¶5. (SBU) VFM He said security was China's number one concern. He said that they will place Hu Jintao's security in U.S. hands, and had full trust and confidence that that United States would provide "foolproof" security. China's advance team, he noted, was already in Washington focusing on security arrangements.

Bilateral

¶6. (SBU) It would be "timely and beneficial" for the two presidents to conduct a bilateral meeting, according to He. China had heard and understood the message that, because of

BEIJING 00004084 002 OF 002

the numbers involved, the President could not have a bilateral with everyone, so he would be meeting one-on-one with no one. He stressed that he was not urging a bilateral during the summit, but offered the "personal" suggestion that a meeting could occur after the summit had ended on the afternoon of the 15th, or even on the morning of the 16th if President Hu delayed his departure.

Hong Kong

¶7. (SBU) Vice Foreign Minister He said that Hong Kong was an important economic entity and a representative might join the delegation. China will study the idea and respond at a later date.

Substantive Focus

¶8. (SBU) He said that China is now holding internal discussions including the People's Bank of China and the Ministry of Finance to determine its approach to the summit. He speculated that China was interested in more than "just reform" of international institutions and regulations. The VFM said China is interested in the way that the global financial system affects developing countries, in particular Africa and Asia. He also noted that China wanted to focus on the responsibility to keep the financial crisis from spreading to the real economy, as well as a responsibility to prevent a global recession.

Piccuta